

AMENDED IN ASSEMBLY MAY 7, 2003
AMENDED IN ASSEMBLY APRIL 22, 2003
AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 320

Introduced by Assembly Member Correa

February 7, 2003

An act to add Section 143.5 to the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

AB 320, as amended, Correa. Professions and vocations: licensees: settlement agreements.

Existing law provides that it is a cause for suspension, disbarment, or other discipline for an attorney to agree or seek agreement that the professional misconduct or the terms of a settlement of a claim for professional misconduct is not to be reported to the professional's disciplinary agency, or to agree or seek agreement that the plaintiff shall withdraw a disciplinary complaint or not cooperate with an investigation or prosecution conducted by the disciplinary agency. These provisions apply to an attorney who is a party or who is acting as an attorney for a party.

This bill would prohibit a licensee of a profession or vocation regulated by the Department of Consumer Affairs or various boards, bureaus, or programs from including, or permitting to be included, a provision in an agreement to settle a civil dispute that prohibits the other party in that dispute from contacting, filing a complaint with, or

cooperating with the department, board, bureau, or ~~programs~~ *program* or that requires the other party to withdraw a complaint from the department, board, bureau, or ~~programs~~ *program*. *A licensee in violation of these provisions would be subject to disciplinary action by the board, bureau, or program.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 143.5 is added to the Business and
- 2 Professions Code, to read:
- 3 143.5. (a) A licensee of a profession or vocation regulated by
- 4 a board, bureau, or program within the Department of Consumer
- 5 Affairs shall not include or permit to be included a provision in an
- 6 agreement to settle a civil dispute, whether the agreement is made
- 7 before or after the commencement of a civil action, that prohibits
- 8 the other party in that dispute from contacting, filing a complaint
- 9 with, or cooperating with the department, board, bureau, or
- 10 ~~programs~~ *program* or that requires the other party to withdraw a
- 11 complaint from the department, board, bureau, or ~~programs~~
- 12 *program*. A provision of that nature is void as against public
- 13 policy, *and any licensee who includes or permits to be included a*
- 14 *provision of that nature in a settlement agreement is subject to*
- 15 *disciplinary action by the board, bureau, or program.*
- 16 (b) As used in this section, “board” shall have the same
- 17 meaning as defined in Section 22, and “licensee” means a person
- 18 that has been granted a license, as that term is defined in Section
- 19 23.7.

